CKE Marketing Sdn Bhd v Virtual Century Sdn Bhd & Anor

HIGH COURT (KUALA LUMPUR) — ORIGINATING MOTION NO D3–25–12 OF 2004
ZULKEFLI J
28 OCTOBER 2005

Patents — Registered designs — Application for rectification of register of industrial designs — Whether first defendant's design wrongfully remained on the register — Whether there was wrongful registration — Whether first defendant's design not new at the time of the application for registration — Whether registration invalid due to disclosure made to the Malaysian public prior to the priority date — Industrial Designs Act 1996 s 24(1)(a)

The plaintiff applied to rectify the Register of Industrial Design contending that the first defendant's design was wrongfully remaining on the register and seeking to expunge the same from the register in accordance with the provision of s 24(1)(a) of the Industrial Designs Act 1996 ('the Act'). The main ground relied by the plaintiff for rectification of the first defendant's wrongful registration was that it was not new at the time of the application for registration. The plaintiff contended that the first defendant's industrial design filed on 12 August 1999 ('priority date') and registered under the Act was invalid due to disclosure made to the Malaysian public prior to the priority date of a similar design purportedly to be differing only in immaterial details as to the plaintiff's design. The subject matter of the present proceeding was with regard to the first defendant's glass door display chiller/freezer sold under the brand name 'LINDEN' which was termed as 'Refrigeration Apparatus' under the provision of the Act ('the first defendant's article'). The existing models and design features of the refrigeration apparatus that existed prior to 12 August 1999 were old and unappealing in appearance. The first defendant contended based on its background knowledge of the industry the first defendant developed novel design features and applied it to its product and sold its new product into the market. The first defendant's article featured a curved crescent like shape display panel with aluminium frames and curved.

Held, dismissing the application:

(1) The question of novelty is dependent on the nature of the article. A relevant consideration would be whether the article is a generic product that is commonly used by members of the public. In such circumstances, it was likely that the design features applied to an article were already individually in existence or in use prior to the formation of the said article. In this connection, the totality of the design features taken as a whole and the overall appearance of the common article became a paramount consideration for the court's determination whether the same possessed novelty as compared to articles that were disclosed to public earlier. The standard of novelty or originality must be construed in accordance to its circumstances (see paras 6–7).

(2) The plaintiff's attempt to isolate each of the designs marked as circles A and B in the registration from the first defendant's article and to compare the same individually against purported prior art was wholly misleading and incorrect in law. The appealing appearance of the first defendant's article was a result of a combination of a crescent like shaped display with curved aluminium border frames ('circle A'). It was noted that the door frames having a distinctive curve at the centre with two grooves forming its border ('circle B'). These features rendered the first defendant's article materially and visually different from any purported prior art of traditional refrigeration apparatus that existed before (see paras 11–12).

(3) The plaintiff had misconstrued in alleging that the first defendant claimed novelty in the colours and type of materials applied to the first defendant's article. The first defendant was not making any such claims but merely illustrating that by virtue of the curved surfaces of the design in circles A and B, the elements of colour and type of material would naturally and undeniably enhance or have impact on the visual appearance or appeal of the first defendant's article (see para 14).

(4) As regards the plaintiff's contention that the first defendant admitted that its crescent shape panel was a result (circle A) of a 'method of construction', the court found such a contention was misconceived. It was apparent that the statement of novelty in the first defendant's registration did not claim novelty in any method of construction of the display panel. The statement by the defendant with regard to the production process of the display panel was made merely to illustrate how the design was applied to an article through an industrial process. This was in line with the definition of 'industrial design' under the Act which means 'features of shape, configuration, pattern or ornament applied to an article by any industrial process or means' (see para 15).

(5) The plaintiff had failed to disclose cogent and direct evidence in support of its allegations. The evidence of prior art shown and relied upon by the plaintiff was materially different in appearance as compared to the first defendant's registered design (see para 23).

[Bahasa Malaysia summary

Plaintif memohon untuk membetulkan dalam Buku Daftar Rekaan Perindustrian dengan menegaskan bahawa rekaan defendan pertama adalah salah untuk dikekalkan dalam buku daftar dan memohon agar ia dikeluarkan daripada buku daftar bersesuaian dengan peruntukan s 24(1) Akta Rekaan Perindustrian 1996 ('Akta tersebut'). Alasan utama yang digunakan oleh plaintif untuk pembetulan pendaftaran salah defendan pertama adalah bahawa ia bukan suatu yang baru pada masa permohonan untuk pendaftaran dibuat. Plaintif menegaskan bahawa rekaan perindustrian defendan pertama yang difailkan pada 12 Ogos 1999 ('tarikh utama') dan didaftarkan di bawah Akta tersebut adalah tidak sah disebabkan pendedahan yang dibuat kepada masyarakat awam Malaysia sebelum tarikh utama rekaan sama yang dikatakan berbeza hanya pada butiran yang tidak penting pada rekaan plaintif.

Perkara pokok dalam prosiding semasa adalah berkaitan pintu pameran kaca peti sejuk defendan pertama yang dijual di bawah nama 'LINDEN' yang diberikan terma 'Refrigeration Apparatus' di bawah peruntukan Akta tersebut ('artikel defendan pertama'). Ciri-ciri model dan rekaan pada peralatan peti sejuk yang terdapat sebelum 12 Ogos 1999 adalah lama dan tidak menarik pada pandangan mata. Defendan pertama berhujah dengan berdasarkan pengetahuannya berhubung latar belakang perindustrian yang defendan pertama telah memperoleh ciri-ciri tersendiri rekaan tersebut dan menggunakannya kepada produknya dan menjualnya sebagai produk barunya dalam pasaran. Ciri-ciri artikel defendan pertama mempunyai bentuk sisi pameran seperti bulan sabit dengan bingkai aluminium yang melengkung.]

Diputuskan, menolak permohonan tersebut:

(1) Persoalan kebaharuan bergantung kepada sifat artikel itu. Pertimbangan relevan adalah sama ada artikel itu produk yang generik yang biasa digunakan oleh orang awam. Dalam keadaan sedemikian, adalah mungkin yang ciri-ciri rekaan yang digunakan pada artikel telah pun wujud dengan sendiri atau digunakan sebelum pembentukan artikel tersebut. Sehubungan itu, keseluruhan ciri-ciri rekaan hendaklah diambil secara menyeluruh dan penampilan keseluruhan artikel yang sama menjadi pertimbangan utama untuk mahkamah menentukan sama ada yang sama mempunyai kebaharuan seperti yang dibandingkan dengan artikel yang didedahkan kepada awam sebelumnya. Standard kebaharuan atau keaslian hendaklah ditafsirkan menurut keadaan (lihat perenggan 6–7).

(2) Percubaan plaintif untuk mengasingkan setiap rekaan yang ditandakan sebagai bulatan A dan B dalam buku daftar daripada artikel defendan pertama dan untuk membandingkan yang sama secara individu terhadap seni reka sebelumnya yang dimaksudkan amat mengelirukan dan tidak betul dari segi undang-undang. Penampilan menarik artikel defendan pertama hasil gabungan paparan berbentuk seperti bulan sabit dengan bingkai tepi aluminium yang melengkung ('bulatan A'). Adalah ditekankan bahawa bingkai pintu tersebut mempunyai lengkungan yang nyata di bahagian tengahnya dengan dua alur yang membentuk tepinya ('bulatan B'). Ciri-ciri tersebut menjadikan artikel defendan pertama berbeza secara material dan penampilan daripada mana-mana seni reka peralatan peti sejuk lama yang wujud sebelumnya (lihat perenggan 11–12).

(3) Plaintif telah membuat tafsiran salah dengan mengatakan bahawa defendan pertama menuntut kebaharuan dalam warna dan jenis bahan yang digunakan kepada artikel defendan pertama. Defendan pertama bukan semata-mata membuat dakwaan tetapi hanya menggambarkan bahawa menurut permukaan yang melengkung pada rekaan itu dalam bulatan A dan bulatan B, elemen-elemen warna dan jenis bahan secara semulajadi dan tidak dinafikan menambahkan atau memberi kesan kepada penampilan visual atau menarik buat artikel defendan pertama itu (lihat eprenggan 14).

(4) Berhubung hujah plaintif bahawa defendan pertama mengakui bahawa bentuk bulan sabit pada kepingan kayunya adalah disebabkan (bulatan A) oleh

'method of construction', mahkamah mendapati pendapat itu disalah tanggap. Adalah nyata bahawa kenyataan kebaharuan dalam pendaftaran defendan pertama tidak menuntut kebaharuan dalam apa cara pembentukan kepingan papan itu dipaparkan. Kenyataan oleh defendan berhubung proses pembuatan kepingan papan yang dipaparkan dibuat hanya untuk menggambarkan bagaimana rekaan itu digunakan pada artikel melalui proses perindustrian. Ini sejajar dengan tafsiran 'industrial design' di bawah Akta yang bemaksud 'features of shape, configuration, pattern or ornament applied to an article by any industrial process or means' (lihat perenggan 15).

(5) Plaintif gagal untuk mengemukakan keterangan yang meyakinkan dan langsung untuk menyokong pengataannya. Keterangan tentang seni reka sebelumnya yang ditunjukkan dan digunakan oleh plaintif adalah berbeza secara penampilan jika dibandingkan dengan rekaan berdaftar defendan pertama (lihat perenggan 23).

Notes

For cases on registered desings generally, see 10 *Mallal's Digest* (4th Ed, 2002 Reissue) paras 1075–1081.

Cases referred to

AMP Incorporated v Utilux Pty Ltd [1970] RPC 397 (refd)
D Sebel & Co Ltd v National Art Metal Co Pty Ltd [1965] 10 FLR 224 (refd)

Legislation referred to

Industrial Designs Act 1996 ss 17(1), 24(1)(a), 25
Registered Designs Act 1949 [UK]
Rules of High Court 1980 O 41 r 5(1)

Nor Amimi (Chee, Amimi & Adrian Han) for the plaintiff.
YY Ho (Eric Teoh and Toh Chia Hua with him) (Azman Davidson & Co) for the first defendant.

Zulkefli J:

[1] By way of notice of originating motion (encl 2), the plaintiff applies to rectify the Register of Industrial Design contending that the first defendant's design registration No MY-00-00057 is wrongfully remaining on the Register and seeking to expunge the same from the said Register in accordance with the provision of s 24(1)(a) of the Industrial Designs Act 1996 ('the Act').

[2] Section 24(1)(a) of the Act states as follows:

> The court may, on the application in the prescribed manner of any person aggrieved by the non-inclusion in or omission from the Register of any entry, or by or in any entry made in the Register without sufficient cause, or any entry wrongfully remaining in the Register, make such order for including, making, expunging or varying any such entry or for the correcting of any such error or defect as it deems fit.

[3] The main ground relied by the plaintiff for rectification of the first defendant's wrongful registration No MY-00-00057 is that it is not new at the time of the application for registration. The plaintiff contends that the first defendant's industrial design filed on 12 August 1999 and registered under the Act is invalid due to disclosure made to the Malaysian public prior to the priority date ('12 August 1999') of a similar design purportedly to be differing only in immaterial details as to the plaintiffs design. It should be noted under s 17(1) of the Act the priority date of an application for the registration of an industrial design is the filing date of the application and under s 25 of the Act the registration of an industrial design shall be deemed to have come into force on the filing date of the application for the registration of the industrial design and shall subsist for five years thereafter which may be extended for two further consecutive terms of five years each.

[4] The subject matter of the present proceeding is with regard to the first defendant's glass door display chiller/freezer sold under the brand name LINDEN which is termed as 'Refrigeration Apparatus' under the provision of the Act ('the first defendant's article'). The existing models and design features of the refrigeration apparatus that existed prior to 12 August 1999 are old and unappealing in appearance. The first defendant contends based on its background knowledge of the industry the first defendant developed novel design features and applied it to its product and sold its new product into the market. The first defendant's article features a curved crescent like shape display panel with aluminium frames and curved aluminium door frames. The first defendant's article is also registered in the United Kingdom as a registered design under the UK Registered Designs Act 1949 since 12 August 1999 (see the first defendant's exh 'KYK 3' in encl 3).

Findings of the court

[5] As regards the requirement of novelty for an industrial design, the English Court of Appeal in the case of *AMP Incorporated v Utilux Pty Ltd* [1970] RPC 397, inter alia, had this to say:

> Novelty or originality must be substantial, that is, must be present as a matter of substance, having regard to the mature of the article... There must still be substantial novelty or originality having regard to the nature of the article btjore it is registrable, and differences from the prior art in details which are immaterial is not enough.... It is of course impossible to define how large the difference must be in any particular case, because this will inevitably depend on such matters as the nature of the article, the extent of the prior art and the number of previous designs in the field in question.

[6] In view of the above judicial proposition, the question of novelty therefore is dependent on the nature of the article. A relevant consideration would be whether the article is a generic product that is commonly used by members of the public. In such circumstances, it is likely that the design features applied to an article are already individually in existence or in use prior to the formation of the said article. In this connection, the totality of the design features taken as a whole and the overall appearance of the common article becomes a paramount consideration for the court's determination whether the same possesses novelty as compared to articles that were disclosed to public earlier.

[7] In relation to generic or common products such as in the present case, the standard of novelty or originality must be construed in accordance to its circumstances. In the case of *D Sebel & Co Ltd v National Art Metal Co Pty Ltd* [1965] 10 FLR 224, the court held, inter alia, at p 227 as follows:

> It is also true no doubt that a mere conjunction of old features does not necessarily result in a new design. However, it may do so and it seems to me that when one is dealing with furniture design, with the obvious limitations that exist in the addition of new features, one should not be astute to deny novelty upon the ground that there is not some wholly new feature of design incorporated. Design in such a field is a subtle thing and, provided it is distinctive to the trained eye, I think that registration should not be denied in view of the element of subtlety which is involved in the combination of old features in a particular way and the manner in which they are combined.

[8] With regard to claims for novelty the English Court of Appeal in the case of *AMP Incorporated v Utilux Pty Ltd* at p 431, inter alia, states as follows:

> Finally, on the question of validity it was argued by the respondent that the design was ambiguous by reason of wording of its statement of novelty which claimed novelty or originality in all the features of the design.... How can such a claim be made, it is asked, if it is clear that one feature, such as the receptacle, is old and it is then argued that, to say the least of it, the statement of novelty must be ambiguous in its scope. I do not think there is anything in this argument. The statement of novelty makes it clear that novelty is being claimed for the design as a whole. There is nothing ambiguous about such claim or statement. It may be wrong and the facts may not justify the claim, but in my judgment it cannot be said to be ambiguous.

[9] On the above mentioned points, I would like to refer to the statement of novelty of the first defendant in the present case which reads:'NOVELTY RESIDES IN THE SHAPE AND CONFIGURATION OF THE DESIGN AS SHOWN IN THE CIRCLE IN THE REPRESENTATIONS.' The statement is accompanied with an overall front and perspective photographs of the first defendant's article as a whole and followed by a side view photograph of the curved panel marked as circle A and a front view photograph of the curved door frame marked as circle B to illustrate visual details. (see exh CWY-1 of encl 2).

[10] The definition for 'statement of novelty' as provided for under the Act reads as follows:

> statement of novelty, in relation to an industrial design means a statement relating to the representation of an article to which the industrial design is applied that indicates those features of the representation in respect of which novelty is claimed.

[11] It is clearly indicated from the above definition that the monopoly right granted to the first defendant under the Act is with respect to the overall visual appearance of the representations made or tiled in which designs in circles A and B are applied thereto. It is my view that the plaintiffs attempt to isolate each of the designs marked as circles A and B in the registration from the first defendant's article and to compare the same individually against purported prior art is wholly misleading and incorrect in law.

[12] The appealing appearance of the first defendant's article is a result of a combination of a crescent like shaped display with curved aluminium border frames (circle A) (see pp 3/4 exh CWY-2 of encl 2 and p 2 exh KYK-7 of encl 3). It is noted that the door frames having a distinctive curve at the centre with two grooves forming its border (circle B) (see p 4/4 exh CWY-2 of encl 2 and p 2 exh KYK-7 of encl 3). These features in my view render the first defendant's article materially and visually different from any purported prior art of traditional refrigeration apparatus that existed before.

[13] A further added visual appeal of the first defendant's article stems from the fact that the surfaces of circle A design and circle B design are curvature in shape and are made from aluminium metal which reflect light thereby creating a rich 'goldish' shine giving it an overall clean, smooth and solid appearance. However such characteristic is not found in any purported prior art or traditional refrigeration apparatus that existed before.

[14] It is my finding that the plaintiff has misconstrued in alleging that the first defendant claims novelty in the colours and type of materials applied to the first defendant's article. I find that the first defendant is not making any such claims but merely illustrating that by virtue of the curved surfaces of the design in circles A and B the elements of colour and type of material would naturally and undeniably enhance or have impact on the visual appearance or appeal of the first defendant's article.

[15] As regards the plaintiffs contention that the first defendant admits that its crescent shape panel was a result (circle A) of a 'method of 11 construction', I find such a contention is misconceived. It is apparent that the statement of novelty in the first defendant's registration does not claim novelty in any method of construction of the display panel. The statement by the defendant with regard to the production process of the display panel is made merely to illustrate how the design is applied to an article through an industrial process. This is in line with the definition of 'Industrial design" under the Act which means 'features of shape, configuration, pattern or ornament applied to an article by any industrial process or means,...'.

[16] I shall now address on each of the so-called evidence by way of exhibits relied upon by the plaintiff to show that the first defendant's alleged design circle A and circle B is not new and which has been known to Malaysians. My findings on the said respective exhibits are as follows:

(a) exhs CWY-4 and CWY-6 in encl 1 are photographs taken in 2004 which is far after the priority date of 12 August 1999;

(b) exh CWY-5 in encl 1 is an undated photograph;

(c) exh CWY-3 in encl 1 does not indicate that the goods sold are goods shown in exhs CWY-4, CWY-5 or CWY-6;

(d) the refrigeration apparatus in exhs CWY-4, CWY-5 or CWY-6 in encl 1 are very similar if not identical to the first defendant's older models from which the first defendant's article was developed

(e) the refrigeration apparatus in exhs CWY-4, CWY-5 or CWY-6 in encl 1 do not have the crescent-like curve display panel at the top of the unit as per the first defendant's article (a relevant comparison is shown in exh 'KYK 2' of encl 3);

(f) the plaintiffs attempt to compare exhs CWY-4, CWY-5 and CWY-6 to the door frame 'profile' design of the first defendant's article without comparing the same to the visual appearance of the first defendant's door frame design and to the overall appearance of the first defendant's article is an incorrect approach under the law;

(g) in any event, the door frame of the first defendant's article is materially different from those in exhs CWY-4, CWY-5 and CWY-6. The first defendant's frame design has a distinctive curve at the centre with two grooves forming its border giving it a clean, smooth and solid appearance. Further, its curved surface reflects shining lights creating a rich 'goldish' shine. In contrast to exhs CWY-4, CWY-5 and CWY-6, the door frames are multi-grooved without a smooth surface (a relevant comparison is shown in exh 'KYK-9' of encl 3 between frames at the far left and the frame of the first defendant's article at the far right);

(h) the invoices shown in exh CWY-7 are sale transactions of the first defendant's older model under the brand name 'ASECO' and not the first defendant's article which was only marketed and sold after the first defendant has successfully registered its industrial design (the old ASECO model is exhibited in exh 'KYK-8' of encl 3);

(i) there is no cogent evidence to prove that the product shown in exh CWY-8 was disclosed to the Malaysian public prior to 12 August 1999;

(j) the plaintiff's attempt to compare exh CWY-8 to only the crescent-like curve display panel without comparing the same to the overall appearance of the first defendant's article is an incorrect approach in law;

(k) in any event, the curved display panel of the first defendant's article (see the first defendant's registration certificate in exh CWY-2 of encl 1 and photographs of the curved panel in exh 'KYK-1' and 'KYK-2' in encl 3) is distinctively different from those in exh CWY-8. In addition the border frame of the first defendant's article is made from aluminium metal that gives a smooth and shiny appearance as oppose to a wholly plastic look.

[17] The plaintiff is also relying on exh CWY-14 in encl 5 and exh CWY-24 in encl 7. I find there is a conflict of evidence here. Exhibits CWY-14 and CWY-24 has been supplied to Malaysia since 1995 whereas the statutory declaration in exh CWY-24 states that: 'The refrigerator... was sold and exported to Malaysia in early 1990's'. Furthermore, by merely stating that one's product has been sold to an oversea country does not prove that the same has been disclosed to the public of that country. As such there is no cogent evidence to prove that the product shown in exhs CWY-14 and CWY-24 was disclosed to the Malaysian public prior to 12 August 1999. Similarly, the plaintiffs attempt to compare exhs CWY-14 and CWY-24 to only the crescent like curve display panel without comparing the same to the overall appearance of the first defendant's article is an incorrect approach in law. In any event, the curved

display panel of the first defendant's article (see the first defendant's registration certificate in exh CWY-2 of encl 1 and photographs of the curved panel in exh 'KYK-1' and 'KYK-2' in encl 3) is distinctively different from those in exhs CWY-14 and CWY-24. In addition, the display panel of the first defendant's article has a metal border frame that gives a smooth and shinny appearance as opposed to a frameless plastic display panel.

[18] On exhs CWY-15A and CWY-15B in encl5,1 find that the plaintiff is relying on the truth of the contents in the letter by a foreign company shown in exh CWY-15A wherein it is stated that a certain model of refrigerator was introduced into Malaysian market around 1993. Clearly, this is an infringement of O 41 r 5(1) of the Rules of High Court 1980 ('the RHC') and inadmissible hearsay evidence to this proceeding. Nonetheless such statement by a foreign company does not prove that the said model has been indeed disclosed to the Malaysian public before 12 August 1999.

[19] On exhs CWY-16A and CWY-16B in enclo 5 relied on by the plaintiff, there is no cogent evidence to prove that the product shown in exhs CWY-16A and CWY-16B was disclosed to the Malaysian public prior to 12 August 1999. Photographs in exh CWY-16B are undated and locations of the refrigerators therein are not indicated.

[20] On exh CWY-17 of encl 5, I find the plaintiff is again relying on the truth of the contents of a letter shown in exh CWY-17 wherein a foreigner states that a certain model of a foreign refrigerator was sold to Malaysia in 1998. This is an infringement of O 41 r 5(1) of the RHC and inadmissible hearsay evidence to this proceeding. Nonetheless, such statement by a foreign company does not prove that the said model has been indeed disclosed to the Malaysian public before 12 August 1999.

[21] On exhs CWY-18 in encl 5, CWY-25A, CWY-25B and CWY-25C in encl 7, the following is my finding respectively on each of them:

(a) Photographs in exhs CWY-18, CWY-25A, CWY-25B and CWY-25C are undated.

(b) The plaintiff is relying on the truth of the contents of a manufacturer's label shown in exh CWY-25B. This is an infringement of O 41 r 5(1) of the RHC and inadmissible hearsay evidence to this proceeding. Further, it is merely a bare assertion that the serial number therein indicates that the refrigerators were imported into Malaysia in 1995. The year 1995 could very well be the year it was manufactured and not the year it was imported into Malaysia and subsequently disclosed to the Malaysian public.

(c) There is no cogent evidence to prove that the product shown in exhs CWY-18, CWY-25A and CWY-25C were disclosed to the Malaysian public prior to 12 August 1999.

[22] On exh CWY-22 in encl 5 relied on by the plaintiff, I find by merely showing a collection of sales brochures and directory in exh CWY-22 does not prove that the

products therein were disclosed to the Malaysian public prior to 12 August 1999. I also find on exh CWY-23 in encl 5 by merely showing a collection of sales brochures by foreigners 19 in exh CWY-23 does not prove that the products therein were disclosed to the Malaysian public prior to 12 August 1999.

[23] On the grounds above stated, I hereby dismiss tihe plaintiffs application in encl 2 with costs. It is my finding that the plaintiff has failed to disclose cogent and direct evidence in support of its allegations. The evidence of prior art shown and relied upon by the plaintiff is materially different in appearance as compared to the first defendant's registered design.

Application dismissed.

Reported by Peter Ling